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FOOD AND DRUG ADMINISTRATION PROMULGATES GENERAL REGULATIONS

New Administrative Provisions of Special Interest to Canners Analyzed

First of a series of general administrative regulations under the Federal Food, Drug and Cosmetic Act of 1938, the food sections of which become effective on June 25, 1939, was promulgated December 23, 1938, by the Food and Drug Administration. A copy of the Federal Register for December 28, containing the text of these regulations, has been mailed to an official of each member firm of the Association.

As stated in the Association's explanatory bulletin of August 1, 1938 (pages 14-15), these general administrative regulations are issued under section 701 (a) of the new law. While such regulations may be issued without public hearing and may be changed at any time, the announced policy of the Food and Drug Administration will be to hold hearings and invite industry comment except where the exigencies of enforcement make immediate action necessary.

It will be recalled that the Food and Drug Administration on October 15, 1938, issued proposed general regulations, a copy of which was sent to every canner, and invited trade comment. These regulations were carefully considered by a special committee of the Association, and at the hearing on November 17 a representative of the Association presented a statement; thereafter there was filed with the Administration a series of written recommendations for modifications of the proposed regulations. (See INFORMATION LETTERS No. 721, November 19, 1938, page 5673, and No. 722, November 26, 1938, page 5681.)

An understanding of the following comments necessitates a careful reading of the text of the particular regulations as given in the Federal Register. It should be remembered, however, that these regulations may be changed with respect to an industry or individual manufacturer at any time without prior public hearing, although it is not expected that major changes of general application will be promulgated without prior notice. It should also be understood that in large measure these general administrative regulations constitute a prior public announcement of the criteria which will guide the Food and Drug Administration in determining whether particular canned foods are adulterated or misbranded.

It will be observed that in many cases the regulations are drafted in fairly general language or in the language of the law itself. Interpretations of the regulations will be developed in practice. It is expected that, as in the past, reasonable administrative discretion will be employed in enforcement, as is indeed contemplated by section 306 of the statute.

While it is fully recognized that labels must be designed and planned in advance, it is necessary to suggest that interpretations of these regulations advanced at this time are

necessarily preliminary and may not be fully accepted by the Administration. In cases of doubt as to the application of these regulations to particular questions, canners are advised to communicate with the Association.

Both the text of the regulations and the comments set forth below are designated by the section of the Act pursuant to which a particular regulation is issued.

Section 303 (c) (2)

The purpose of this regulation is to indicate the type of guarantee which will exempt the buyer from prosecution for the delivery or receipt in interstate commerce of any goods found to be adulterated or misbranded. Section 303 (c) (2) requires the buyer to establish a guarantee or undertaking signed by the seller and specifies that such guarantee must contain the name and address of the seller and refer specifically to the new Act.

Contract rights as between buyer and seller, contained in a particular contract of guarantee, are not affected by the Act or these regulations. The form of guarantee set forth in the regulation is merely illustrative and the Association has taken the position that any other form of guarantee, even though embodying additional provisions, will satisfy section

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AGRICULTURE DEPARTMENT ASKS DATA ON FABRICATED FOODS

Canners Advised to Submit Lists of Products and Suggestions Concerning Specifications

Food manufacturers have been invited by the Secretary of Agriculture to submit suggestions as to products fabricated from two or more ingredients and having common or usual names, for which it is considered possible to formulate definitions and standards of identity. The purpose of this invitation is explained in the following circular sent to food manufacturers under date of December 22:

"Section 403 (i) (2) of the Food, Drug, and Cosmetic Act, which becomes effective June 25, 1939, requires that, with certain exceptions, the label of a food which is fabricated from two or more ingredients shall bear the common name of each ingredient, unless the food is one for which a definition and standard of identity has been prescribed under section 401.

"Section 401 authorizes the fixing and establishing of definitions and standards of identity for the purpose of promoting 'honesty and fair dealing in the interest of consumers.'

"Section 902 (a) authorizes the Secretary of Agriculture to designate, prior to June 25, 1939, food having common or usual names and to exempt such food from the requirements of section 403 (i) (2) for a reasonable time to permit formulation, promulgation and effective application of definitions and standards of identity therefor.

"Since time is not available before June 25, next, to permit the Department to promulgate definitions and standards of

identity for all the food for which such definitions and standards can be and should be provided, it is the purpose of the Department to exercise the authority of section 902(a) for the designation of such food.

"Manufacturers are therefore invited to submit to the Food and Drug Administration suggestions as to food which they believe should be so designated. To be eligible for such designation by the Department pending further proceedings under sections 401 and 701(e) of the Act, a food should have a common or usual name, it should be fabricated from two or more ingredients, and it should be of sufficiently definite composition to permit the formulation of a definition and standard of identity which will promote honesty and fair dealing in the interest of consumers.

"It will be helpful to the Department in reaching conclusions with respect to such designations if these suggestions embody proposed specifications which should be considered for inclusion in the definitions and standards."

The National Canners Association already has submitted to the Department of Agriculture a general list of canned foods divided into two classes: (1) Foods of simple composition clearly susceptible of definition, and (2) foods of more complicated composition which are believed to be susceptible of definition.

To insure that the Department of Agriculture will have complete data, individual canners are advised to submit their own suggestions. As indicated in the circular letter of the Secretary of Agriculture, it will be helpful if these suggestions embody specifications that should be considered for inclusion in the definitions and standards.

The Association requests that canners who submit lists and specifications send copies to the Association's office.

AREA OF PRODUCTION

Definition Broadened for Dry Edible Beans—Hearing Set for Fruits and Vegetables

On December 21, 1938, Administrator Andrews of the Wage and Hour Division issued a modification of section 536.2 of the regulations, which defines the term "area of production" as used in section 13(a) (10) of the wage and hour law and affords to processing factories located within such area as defined by the administrator, complete exemption from both the wage and hour requirements of the law. The new regulation adds a new paragraph providing that an individual shall be deemed to be employed within the "area of production"

"(c) with respect to dry edible beans, if he is so engaged in an establishment which is a first concentration point for the processing of such beans into standard commercial grades for marketing in their raw or natural state. As used in this subsection (c), 'first concentration point' means a place where such beans are first assembled from nearby farms for such processing but shall not include any establishment normally receiving a portion of the beans assembled from other first concentration points."

It should be observed that this addition to the definition introduces a third idea. The original definition considered factories to be within the area of production if located on a farm and engaged in packing commodities produced exclusively on such farm. Secondly, it considered a factory within

the area of production if such factory packed agricultural or horticultural commodities obtained from farms in the immediate locality and if such factory did not employ more than seven persons. (See Association's bulletin of October 25, 1938, pp. 6-8.) This original definition was thus narrowly limited.

A great many applications from processors of agricultural and horticultural commodities in many sections of the country, including canners, immediately petitioned for a broader definition. On November 14 and 15, a hearing was held at which representatives of the dry bean growers and elevator operators were heard on their request for an amendment of the definition so as to permit exemption of their employees. The revision announced on December 21 was in response to this application and represents the first liberalization of the original definition.

It introduces the new concept that a factory "which is a first concentration point" for the processing of agricultural or horticultural commodities is within the "area of production." "First concentration point" is defined as a place where the agricultural or horticultural commodities, in this case beans, are first assembled from nearby farms for processing.

The particular revision relates to dry edible beans alone, but inasmuch as section 13(a) (10) of the law does not appear to authorize distinctions as between particular agricultural or horticultural commodities, it is not unlikely that the administrator may be persuaded to extend this new basis of definition to all agricultural and horticultural commodities.

On January 9, 1939, a hearing will be held for the consideration of all pending applications for a change in the definition of "area of production" as applied to the processing of fruits and vegetables. At this time it is expected that representatives of the various types of processing in all areas will appear and present evidence in support of requested exemptions.

A preliminary meeting of representatives of the various canning sections will be held at the offices of the Association on January 7, 1939. In view of the change in the definition already made, it is recommended that canners planning to attend this meeting and the public hearing might assemble as much information as possible concerning the practices of concentrating fruits and vegetables for canning within the definition of "first concentration point" contained in the revised regulation.

On December 23, 1938, the administrator announced an amendment to section 526.90 of the regulations (see Association's bulletin of October 25, 1938, appendix, p. 26) extending to January 31, 1939, the temporary exemption for industries which will qualify under section 7(b) (3) of the law. This section, it will be recalled, applies to industries, other than those packing seasonal or perishable fruits and vegetables which are covered by section 7(c), and permits a limited exemption from the hour provisions of the law. (See Association's bulletin of October 25, 1938, p. 11, note 6.)

Modification of Cuban Duties on Soups Asked

In view of the reopening of consideration of the Reciprocal Trade Agreement with Cuba by the announcement of intention to negotiate a supplemental trade agreement, briefs have

been filed with the Committee for Reciprocity Information requesting modification of the Cuban duties on canned soups.

In the absence of any definite classification for soups in the Cuban tariff, the duties applicable to soups of various kinds have been determined by customs interpretation of other classifications. This has resulted in inequities, such as making a vegetable soup that contains meat broth subject to a higher rate of duty than a soup not containing meat broth.

The briefs request that efforts be made to secure the establishment of a new and reasonable classification for canned soup in the Cuban tariff, with a consequent reduction in the excessive duties now levied.

"Public Information" Material Being Sent Canners

To provide the principal facts about canning and the canning industry in concise form, so as to be helpful in carrying out the purpose of the resolution adopted at the 1938 convention of the National Canners Association relative to promoting public understanding of the industry and its problems, the Association has prepared this material and is sending it this week to members.

References are furnished to sources from which further and more detailed information is available regarding the facts discussed briefly in each article.

New Leaflet Published by Association

A leaflet, "Answers to Questions About Canned Foods," prepared by the staff of the Home Economics Division, is being mailed to members of the Association. The questions and answers in the leaflet are designed to cover questions frequently asked by various groups. The publication replaces "Stop Wondering—Here are the Facts" and "What if She Asks a Question."

Distribution of the leaflet will be useful in answering questions from trade, school, and homemaking groups. Additional copies are available upon application to the Association's Home Economics Division.

Standards for Canning Tomatoes Revised

U. S. standards for canning tomatoes have been revised and were issued by the Bureau of Agricultural Economics on December 15, to become effective December 31, 1938. The announcement of the revision states:

"These standards are revised at this time so as to expand and clarify the definitions of 'well colored' and 'fairly well colored.' Since the interpretation of these definitions has been the same in the U. S. Standards for Canning Tomatoes issued in 1926 and the U. S. Standards for Tomatoes for Manufacture of Strained Tomato Products issued in 1933, it is thought that wording the definitions alike in both sets of standards will clarify any misunderstandings which may have existed."

Copies of the standards may be obtained upon request of the Bureau of Agricultural Economics, Department of Agriculture.

Stocks and Shipments of Canned Tomatoes

Total stocks of canned tomatoes (not including California) on December 1, 1938, amounted to 11,404,000 cases, compared with 10,949,008 cases on December 1, 1937, according to figures compiled by the Association's Division of Statistics. Unsold stocks on the same day each year amounted to 9,762,000 cases in 1938 and 8,857,747 cases in 1937. During the period July 1 to December 1, 1938, shipments totaled 9,687,000 cases, compared with 10,931,738 cases during the same period a year earlier.

In the following table are given figures by regions for stocks of tomatoes on December 1, 1938, both unsold and sold but not shipped; and shipments from July 1 to December 1, 1938:

	Stocks		Shipments	
	Sold Not Shipped	Unsold	Total	July 1 to Dec. 1, 1938
	Cases	Cases	Cases	Cases
Northeast.....	289,000	448,000	737,000	393,000
Middle Atlantic.	442,000	3,768,000	4,210,000	3,699,000
Mid-West.....	625,000	2,547,000	3,172,000	2,324,000
Tennessee and Kentucky....	20,000	339,000	359,000	478,000
Ozark Territory.	115,000	1,803,000	1,918,000	1,398,000
Western.....	151,000	722,000	873,000	571,000
Southern.....	135,000	135,000	824,000
Total, excluding California.....	1,642,000	9,762,000	11,404,000	9,687,000

Stocks and Shipments of Canned Peas

Stocks of canned peas totaled 17,563,473 cases on December 1, 1938, as compared with stocks on December 1, 1937, of 13,009,959 cases, according to figures compiled by the Association's Division of Statistics. Of these amounts, unsold stocks on December 1, 1938, totaled 13,313,515 cases, compared with 6,515,208 cases a year earlier. Shipments from June 1 to December amounted to 12,485,691 cases in 1938, and 12,611,270 cases in 1937. Shipments during November, 1938, were 1,025,059 cases, and during November, 1937, amounted to 878,601 cases.

In the following table are given figures on stocks of canned peas on December 1, 1938, by varieties and regions:

	Sold Not Shipped	Unsold	Total
	Cases	Cases	Cases
New York and Maine:			
Alaskas.....	22,566	91,016	113,582
Sweets.....	399,359	1,076,091	1,475,450
Middle Atlantic:			
Alaskas.....	79,549	826,630	906,179
Sweets.....	49,679	292,607	342,286
Mid-West:			
Alaskas.....	985,852	4,268,161	5,254,013
Sweets.....	980,449	3,822,477	4,802,926
Western:			
Alaskas.....	15,153	87,742	102,895
Sweets.....	1,717,351	2,848,791	4,566,142
Total.....	4,249,958	13,313,515	17,563,473

Stocks and Shipments of Pitted Red Cherries

Stocks of pitted red cherries on December 1, 1938, totaled 888,033 cases, including 366,017 cases of No. 2's, 509,400 cases of No. 10's, and 12,616 cases of miscellaneous sizes,

according to figures compiled by the Association's Division of Statistics. On December 1, 1937, stocks of No. 2's amounted to 384,637 cases, and No. 10's totaled 585,806 cases.

Shipments from July 1 to December 1, 1938, amounted to 507,297 cases of No. 2's and 496,874 cases of No. 10's. During the same period in 1937, shipments of No. 2's amounted to 612,903 cases, and No. 10's were 735,284 cases.

Of the total stocks in canners' hands on December 1, 1938, 233,355 cases were sold but not shipped, and 654,678 cases were unsold.

FOOD AND DRUG ADMINISTRATION PROMULGATES GENERAL REGULATIONS

(Continued from page 5703)

303 (c) (2) and this regulation, if it contains substantially the same provisions as those used as examples in the regulation.

The usual form of guarantee employed in the canning industry is contained in the sales contract and constitutes a specific guarantee covering the merchandise sold under such contract. At the present time there is under discussion in the industry, and pending for consideration by the Conference Committee at the January convention, the following form of specific guarantee which it is believed conforms to the Act:

"Seller guarantees that all articles of food sold under this contract will not be adulterated or misbranded within the meaning of the Federal Food, Drug, and Cosmetic Act of June 25, 1938, and that such food will not be produced or shipped in violation of sections 404 or 301 (d) of said Act; provided, however, that the seller does not guarantee against such goods becoming adulterated or misbranded within the meaning of said Act after shipment by reason of causes beyond seller's control; and provided also, that seller shall be relieved from responsibility for misbranding when goods are not shipped under seller's labels or brands. Buyer undertakes to save seller harmless from any liability arising out of the shipment under buyer's labels or brands."

Section 403 (e)

Subsection (b) of this regulation, as originally proposed, required that each label contain not only the place of business but also the street address of the canner or distributor. The Association suggested that the street address be required only where the location of the business could not be found in a city directory or telephone book

"or where mail addressed to the address stated on the label would not be normally received in the regular course of mail delivery."

The regulation promulgated requires the street address, if there is one, unless such address can be found in a current city directory or telephone book. Inasmuch as practically every canning factory or canner's place of business is so located in small communities as not actually to have a particular street address or the location can be found in a current telephone directory, it is not anticipated that the regulation as issued will cause difficulty.

Two suggestions of the Association concerning subsection (c) have not been accepted by the Administration. The

first was that where a canner packs a particular commodity in a particular region and packing operations are controlled through a local office which is not the *principal* place of business, the location of the "place of business for the packing of the particular food" might be given on the label. As issued, the regulation apparently does not authorize this to be done. But where this method of setting forth the packer's place of business would not result in any misstatement and would not impede a consumer in locating the packer, a request for permission will probably receive administrative consideration. The second request was that where for operating reasons a canning company packed through an operating subsidiary corporation, the name and principal place of business of the parent company might be used without qualification. This likewise is not contained in the issued regulations and in such cases it is probable that subsection (a) would be applicable, and the name of the parent corporation would have to reveal the connection between the companies.

With respect to the statement of the quantity of contents, as set out in subsection (e), the Association asked that the regulations specifically provide that where a canner complied with the requirements, he might include on the label an *alternate* statement of the quantity of the contents in terms of units less than the largest unit in the package. For example, it was suggested that the label statement might read:

"1 quart 1 pint 2 fluid ounces
(50 fluid ounces)."

As issued, the regulation does not specifically authorize this practice. On the other hand, it is not clear that it prohibits this additional information and sound administrative discretion probably will not prohibit such alternate statements. Canners desiring to incorporate this type of alternate statement of the quantity of the contents are advised, however, to forward the specific form of statement they desire to use to the Association for further consideration.

Section 403 (f)

Probably no sections of the regulations, as originally proposed, occasioned as much comment as those suggested for issuance under section 403 (f). Briefly, as originally proposed, they would have necessitated that all information required by the Act appear on the so-called "principal panel." The Association, among many others, filed objection to this requirement, and pointed out that section 403 (f) related to the *relative* prominence or conspicuousness of required information and further merely specified that the language and context of the label information required by the law should be such as to render them likely to be read and understood by the ordinary consumer "under customary conditions of purchase and use."

In general, the restatement contained in the issued regulations incorporates this concept of relative conspicuousness or prominence. Nevertheless, canners are urged to read carefully the six numbered subparagraphs of subsection (a) and to examine each of the labels they propose to use after June 25, 1939, in the light of the criteria which the Administration indicates will govern its determination under section 403 (f). The underlying theory appears to be that the consumer must be enabled to ascertain from any shelf pack-

age, as customarily displayed for retail purchase, the information which the Act requires to be stated on the label.

With respect to canned foods this regulation appears to require that the name of the product and the net weight must appear on that portion of the label which contains the principal display. Likewise, where the principal display is duplicated on two parts of the label, the name of the product and the net weight probably will be required, to the extent practicable, to appear on both. These two requirements of product name and quantity of contents must appear in reasonably conspicuous type as compared with that used on the rest of the label.

Undue crowding of the name of the product, the statement of contents or other required information because the label design is unreasonably large may result in a charge of misbranding under section 403 (f). While the regulation does not specifically state that the name and place of business of the packer or distributor must appear on the principal display, it may be taken to mean that such name and place of business must be in a reasonably conspicuous type and sufficiently close to the principal display as to permit ready examination by the retail buyer under customary conditions of purchase.

Finally, where the disclosure of ingredients is required by section 403 (i), such ingredients must be displayed with reasonable conspicuousness. Here again the regulation does not specifically state that such ingredients must be disclosed on that part of the label containing the principal display. It is probable, however, that such information must be set forth in reasonably conspicuous type, as compared with that used on the rest of the label, and must be either on or sufficiently close to the principal display as to afford ready examination by the retail buyer under customary conditions of purchase.

In general, the criteria set forth in subsection (a) of this proposed regulation are largely cautionary. The statute requires that certain specific information be given on the label. Section 403 (f) requires that such information "as compared with other words, statements, designs, or devices, in the labeling" be relatively prominent and conspicuous. Moreover, it is obvious that the meaning of a regulation of this sort, necessarily phrased in general language of suggestion rather than in the form of specific prohibitions, will be developed in experience in applying the general criteria to particular concrete cases. This leaves room for considerable latitude by the canner and for the exercise of administrative discretion by the enforcement officials.

Any canner whose labels evidence an attempt in good faith to comply with section 403 (f) will undoubtedly, in the event of criticism, be permitted to readjust his labeling practices on a reasonable basis.

Section 403 (i)

Where ingredients must be stated on the label, attention is directed to the provisions of subsection (d) of this regulation. This section, as finally issued, has not been changed from that originally proposed. The Association recommended that it should not be included and that the disclosure of the names of ingredients be subject, as they are in the Act itself, to the requirements of section 403 (f). It

pointed out that subsection (d) did not offer any definite guide to a packer in preparing his label and that the phrase "relative prominence otherwise given such names" referred properly to section 403 (f) and not to section 403 (i) (2).

As a practical matter, where there will be no common name and standard of identity for a product and the canner will therefore be required to set forth on the label the ingredients contained in a particular product, a substantial quantity of each ingredient stated should be included in the product, or where this is not practicable, some qualification should be attached to the statement of the particular ingredient. (See the Association's Bulletin, pages 19-20.) As to the position and prominence of the list of ingredients on the label, see comment under section 403 (f) above.

Section 403 (k)

The second part of subparagraph (a) (3) was included at the suggestion of the Association and, as now drafted, does not require that salt, sugar, etc. be deemed a "chemical preservative," or stated as such on the label.

Section 405

Subparagraph (b) of this regulation, as finally promulgated, is identical with that proposed originally. It relates to the sale of unlabeled canned foods for subsequent labeling or remanufacture by the purchaser. The principal difficulty is found in the phrase in subsection (2) of subparagraph (b) which requires that the seller secure from the buyer an undertaking

"containing such specifications for the processing, labeling, or repacking, as the case may be, of such food in such [the buyer's] establishment as will result, if such specifications are followed, that such food will not be adulterated or misbranded within the meaning of the Act upon completion of such processing, labeling, or repacking."

This particular language was made the subject of a very vigorous objection by the Association and other food manufacturing trade groups and the request was made that section 405 of the law requires merely that the seller obtain from the buyer a written agreement, properly executed, specifying that the product shipped in unlabeled form would not be labeled otherwise than in conformity with the Act and regulations thereunder and that other products subsequently processed from such foods will conform fully to the requirements of the Act and the regulations thereunder.

At the present time it is not clear what the Department will consider compliance with the requirement that there be "specifications for the processing, labeling, or repacking" of particular canned foods. Where goods are sold to be labeled by the buyer, it may be assumed that exhibiting the label to be used by the buyer (assuming that such label complies with the Act and regulations) and an undertaking by the buyer that such label will in fact be used will satisfy this regulation.

Where, however, canned foods are sold in unlabeled form for subsequent use in remanufacture, it can hardly be expected that the buyer must disclose to the seller the manufacturing formula which will be employed or the particular labels which will be used. This is particularly true where

the buyer may not know at the time of purchase precisely what use will be made of the goods bought for remanufacture or what particular products will be processed from them.

It is recommended that canners who engage in the sale of canned foods for remanufacture communicate with the Association with respect to the practices they employ and the possibilities of practical compliance with this regulation as issued.

Section 702 (b)

In connection with this regulation, attention is called to subsection (5) of subparagraph (b) which has been drafted on the theory that where a sample is collected from the person named on the label a duplicate sample need not be taken because the packer may take an equivalent sample at the same time. The Association requested that food and drug inspectors be instructed to identify in appropriate fashion the equivalent sample simultaneously drawn by the owner or his representative at the time of inspection. Canners should understand that when goods in their own possession bearing their own labels are sampled, they must match the samples taken by the inspector *and have the inspector identify such samples.*

Attention is also directed to subsection (2) of subparagraph (b) limiting the cost of the sample to \$10. It is suggested that buyers and distributors might be instructed to price samples purchased by food and drug inspectors so as to permit the purchase by such inspectors of a sufficient quantity of samples within the specified price limitation.

In other words, an attempt should be made to permit the purchase by the inspector within the \$10 limitation of enough of an official sample to afford a portion, if later request is made, to the owner or his representative.

Attention is also called to the fact that the provisions of section 702 (b) and this regulation in no way qualify the right of a claimant under section 403 (c) of the law to obtain a representative sample of any seizure.

Conclusion

The new law becomes effective on June 25, 1939, and these general regulations, in so far as they relate to food, will become effective on the same day. In the statement to the Food and Drug Administration, the Association pointed out that there were at the time considerable quantities of canned foods already packed and labeled and that in many instances it is feared some of these goods would not be shipped in interstate commerce until after June 25, 1939.

It was also suggested that where canners had considerable stocks of labels on hand, the abrupt discontinuance of the use of such labels would result in substantial losses, and that it would only be reasonable to afford a period of grace in which such labels could be used up. The granting of this request would not represent any departure from pre-existing and accepted administrative practice. Accordingly, this request will be renewed and strongly urged by the Association.

It is not unlikely that a careful study of these regulations and of existing labels will disclose that to a considerable extent such labels will be found to comply with the new Act and regulations. It will be recalled that under section 902(a) there will probably be a temporary exemption from

the requirement that ingredients be disclosed, and permitting canners simply to state on the label the common or usual name of the particular canned food.

In virtually all cases labels now in use contain the name and place of business of either the packer or distributor. The methods and practices of stating the quantity of the contents do not differ materially from those set forth in these regulations, since these regulations virtually follow existing requirements of the Food and Drug Administration.

Accordingly, the problem of interstate shipment after June 25, 1939, of canned foods now on hand and already labeled, or the utilization of stocks of labels now on hand, is not expected to present any difficulties. As noted, however, the interpretations suggested above are necessarily preliminary and tentative, and may not be fully accepted by the Administration or may be changed in practice.

Effect of Canadian Tariff Reductions Reported

Reduction in the duties on canned shrimp entering Canada, effective January 1, has caused retail dealers to make efforts to eliminate their present stocks during the remainder of this year, resulting in a decreased price offered to the consumer, according to the American commercial attache at Ottawa. The reduction in the tariff and the expected elimination of the excise tax on certain fruit juices, including grapefruit, pineapple, and prune juices, which will make these fruit juices available to the general consumer at reduced prices, is causing some concern to the processors of tomato juice. Canned grapefruit juice has become quite popular in Canada, the attache reported, and large quantities are being consumed.

Canned Grapefruit Imports into United Kingdom

Imports of canned grapefruit into the United Kingdom from January through September of this year totaled 270,461 hundredweights of 110 pounds, compared with 223,852 in the same months in 1937, and 164,380 during these months in 1936, according to the American commercial attache at London.

Because a larger quantity of Florida canned grapefruit was shipped into the British market during last season than was consumed, many large buyers have a carryover that will last until into 1939. Last year the market was bare by December. Despite the current situation, the trade is not discouraged, because the trend of the canned grapefruit trade in the United Kingdom market has been on the upgrade during recent years. The United States supplied 268,445 hundredweights of the total imports of 270,461 hundredweights during the first nine months of 1938.

Figures on the import trade in canned grapefruit juice are available only since July 2, 1938, and through October 15 the imports of canned grapefruit juice from the United States totaled 4,939 cases and 1,458 "packages," which are said to be equivalent to a case in customs classification.

Ozark Canners Association Meeting

The Ozark Canners Association will hold its annual meeting at the Connor Hotel, Joplin, Mo., on January 12 and 13.

CANNED FOOD EXPORTS AND IMPORTS

Exports of canned meats, condensed and evaporated milk, fruits, salmon and sardines increased in November, 1938, as compared with November, 1937. The increase in exports of fruits was considerable. However, total exports of vegetables dropped almost 3,000,000 pounds. The following table, compiled from records of the Department of Commerce, furnishes figures for the month of November, 1937 and 1938, and the first eleven months of 1938 as compared with the same months of 1937:

EXPORTS	November, 1937		November, 1938		Jan.-Nov., 1937		Jan.-Nov., 1938	
	Pounds	Value	Pounds	Value	Pounds	Value	Pounds	Value
Canned meats, total...	911,885	\$309,879	1,202,948	\$371,624	12,786,154	\$3,742,709	12,333,997	\$4,136,125
Beef, corned, roast, boiled, hash, ham-burger.....	65,379	22,047	84,456	10,770	771,995	175,955	534,847	116,352
Beef, other.....	148,148	59,483	78,264	29,644	1,844,846	637,738	1,311,895	477,313
Pork.....	546,808	195,131	741,869	256,721	6,553,849	2,242,961	7,834,049	2,901,099
Sausage.....	79,932	20,936	150,298	41,349	1,346,265	384,531	1,246,969	354,654
Other.....	71,618	12,282	148,061	33,140	2,269,199	301,524	1,406,237	286,707
Canned vegetables, total	6,968,688	442,668	3,971,206	339,889	43,433,153	4,170,000	37,307,105	3,284,560
Asparagus.....	662,404	107,150	901,075	118,823	15,453,284	2,237,704	10,602,330	1,497,767
Baked beans and pork and beans...	430,978	21,967	590,508	27,096	5,537,670	295,399	5,180,768	226,906
Corn.....	536,924	37,216	306,477	21,806	2,350,411	179,300	2,108,491	155,701
Peas.....	676,986	50,550	770,186	59,457	4,088,146	309,561	4,483,335	329,696
Soups.....	287,220	26,004	279,662	28,404	2,693,179	261,004	2,902,795	282,777
Tomatoes.....	406,259	29,908	338,884	20,390	1,905,878	119,136	1,681,294	106,111
Tomato paste.....	3,275,426	117,322	104,413	6,697	4,618,504	215,289	3,687,329	173,192
Tomato juice.....	248,493	16,061	224,797	14,248	3,203,282	229,775	2,930,867	172,380
Other.....	443,998	36,490	455,204	42,968	3,582,799	322,832	3,729,896	340,030
Condensed milk.....	136,501	17,420	258,727	25,319	6,514,868	791,210	5,071,746	599,080
Evaporated milk.....	1,917,881	139,878	2,033,818	130,262	20,837,407	151,343	21,500,081	1,483,455
Canned fruits, total...	13,976,410	1,132,618	33,122,280	2,182,339	253,075,500	19,813,692	281,637,411	20,215,575
Apples and apple-sauce.....	1,784,524	82,551	1,753,459	75,975	12,106,854	562,982	11,439,568	506,745
Apricots.....	1,026,288	76,889	3,397,911	211,827	21,227,968	1,644,015	31,120,812	2,079,003
Berries, other.....	272,065	22,833	128,042	12,502	1,046,632	118,783	1,245,706	126,607
Cherries.....	173,256	21,236	604,292	43,386	1,814,359	211,641	4,822,458	400,110
Fruits for salad.....	1,845,795	214,874	2,651,705	253,749	35,509,604	3,977,125	36,118,596	3,713,128
Grapefruit.....	1,655,646	103,493	114,608	7,597	29,969,471	1,598,666	32,207,011	2,107,965
Loganberries.....	4,206	672	79,048	5,729	878,251	76,762	3,851,024	315,293
Peaches.....	2,671,240	210,485	11,083,880	687,735	56,677,044	4,341,404	72,625,920	4,687,831
Pears.....	2,275,821	177,092	10,956,112	697,358	59,704,306	4,316,939	66,323,341	4,487,549
Pineapple.....	1,714,540	172,993	1,794,203	139,455	28,161,345	2,413,041	17,028,638	1,352,083
Prunes.....	191,889	15,234	212,241	13,193	1,229,693	107,871	1,366,590	107,913
Other.....	351,140	33,816	346,781	33,833	4,749,973	444,463	3,487,747	331,348
Canned fish:								
Salmon.....	1,640,720	284,438	4,606,786	645,496	35,182,134	6,163,377	43,501,640	6,548,432
Sardines.....	4,085,940	278,396	5,688,863	387,288	45,617,223	3,030,378	34,803,132	2,388,928
Shrimp.....	862,359	188,272	696,034	123,332	3,863,745	765,753	4,656,245	909,400
Shellfish, other.....	89,315	16,246	74,406	13,255	878,398	157,191	1,482,789	242,845
IMPORTS								
Canned beef.....	6,968,411	766,204	5,945,659	633,493	84,731,726	8,830,475	71,778,202	7,665,242
Condensed and evaporated milk.....	105,375	4,525	130,804	10,656	1,428,222	63,601	615,542	54,040
Canned fish in oil:								
Sardines.....	2,424,552	328,482	2,524,475	349,932	26,544,044	3,530,946	19,853,733	2,914,660
Anchovies.....	191,130	90,652	127,662	48,089	1,921,132	735,618	1,769,445	780,940
Tuna.....	353,588	72,451	491,794	89,631	10,905,884	2,009,769	6,851,677	1,188,215
Other.....	69,463	17,634	58,289	17,122	766,105	205,741	538,494	145,544
Canned shellfish:								
Crab meat.....	444,519	168,420	222,293	76,723	10,908,670	3,588,681	7,572,361	2,657,513
Clams and oysters...	95,566	16,931	69,201	16,736	905,950	174,334	609,496	130,511
Lobsters.....	67,394	34,454	15,354	7,117	808,419	408,053	651,813	303,097
Other canned fish.....	2,346,239	208,315	1,621,492	155,919	22,675,131	1,719,860	13,155,170	1,209,441
Canned vegetables:								
Peas.....	26,875	3,057	79,161	6,795	298,663	28,995	403,934	34,745
Mushrooms.....	166,680	42,435	103,296	21,148	881,650	248,541	822,769	189,647
Tomatoes.....	6,935,546	299,900	26,683	1,556	47,977,064	1,951,974	209,419	12,192
Tomato paste and sauce.....	981,032	68,182	774,460	54,087	8,402,040	608,356	8,477,842	565,837
Other.....	28,285	1,943	740,083	61,858	208,115	13,007	8,166,057	526,229
Canned pineapple, dutiable.....	1,688,123	83,197	554,878	27,268	17,682,929	904,927	9,794,297	564,280
Philippine Islands, free.....			2,474,223	99,450	22,767,801	1,091,935	19,152,630	892,077

Netherlands Using More Canned Grapefruit

Consumption of canned grapefruit sections and canned grapefruit juice in The Netherlands is probably relatively very small, but importers say that their trade in this article is growing, according to the American commercial attache at The Hague. It is believed that the United States is about the only supplier of canned grapefruit, and American products are extremely popular in The Netherlands.

Though standard American cans may be sold in The Netherlands, there are import regulations on labeling, and other considerations that the American exporter should observe. The sugar content of canned fruits and fruit juices is important, because of extremely high sugar excises. They are based on a rather involved sliding scale.

There is no great consumption of breakfast fruit juices in The Netherlands, and consequently this perhaps affords great opportunities for promotion of trade by advertising and publicity. However, as long as fruit is packed with a considerable amount of juice, it will be preferred by Netherlands to juice alone, unless the latter is sold at much lower prices.

Canners Cooperate with Army in Waste Disposal

In a letter regarding the disposal of cannery waste material from plants in the Baltimore district, Col. W. A. Johnson, district engineer of the U. S. Engineer's Office, Baltimore, states: "It is gratifying to be able to advise you that upon inspections made during the latter part of the last canning season there was found generally a disposition on the part of the canners within the Baltimore District to cooperate in preventing violation of the law."

The territory included in this district was defined in INFORMATION LETTER for March 5, 1938. Colonel Johnson referred to this publication and to the regulations published in INFORMATION LETTER for May 14, 1938, and stated that cooperation of canners "was brought about in no small degree by the efforts of your Association."

Alaska Fisheries Report Published

Report of the chief of the Division of Alaska Fisheries has been published by the Bureau of Fisheries under the title "Alaska Fishery and Fur-Seal Industries in 1937." The report contains notes on legislation, new regulations, complaints and prosecutions, and statistics on canneries and production. The report may be obtained from the Government Printing Office at Washington, D. C., for 15 cents.

Nine Growers Qualify for Ten-Ton Tomato Club

Out of 188 Maryland tomato growers enrolled in the annual Ten-Ton Tomato Club contest during the past season, nine qualified for membership in the club by producing ten or more tons to the acre, according to the December issue of the Maryland University Extension Service News.

Inasmuch as the past season was the most unfavorable for good yields of tomatoes that has been experienced in the past seven years, the growers enrolled in the contest made a creditable showing. Each of the four prize-winners will receive a gold watch, provided by commercial companies in-

terested in the development of canning crop work in the State. They will also be given trips to the University of Maryland in February to attend the annual canning crops conference, when the prizes will be awarded.

Census of Glass Food Container Production

Total value of glass containers for food products manufactured in 1937 was about \$61,000,000, as compared with about \$56,000,000 in 1935, according to preliminary figures compiled from returns of the biennial Census of Manufacturers. Value of the production of narrow-neck bottles for packers' use amounted to over \$12,000,000 and the value of wide-mouth bottles and jars was over \$26,000,000. Milk-bottle production was valued at \$14,000,000.

In the following table are given the amount and value of glass containers for food products manufactured in 1937, 1935, and 1931:

Container	1937	1935	1931
Narrow-neck (packers' ware):			
Gross.....	3,915,262	3,351,426	2,637,291
Value.....	\$12,510,704	\$10,381,160	\$8,408,136
Wide-mouth bottles and jars (packers'):			
Gross.....	9,310,496	7,825,830	6,338,362
Value.....	\$26,238,445	\$22,733,684	\$17,390,404
Pressed ware (packers') and jelly glasses (home-pack):			
Gross.....	589,002	651,664
Value.....	\$1,523,091	\$1,691,777
Fruit jars (home-pack):			
Gross.....	1,156,334	1,385,274	2,082,185
Value.....	\$6,717,915	\$10,052,348	\$15,103,062
Milk bottles:			
Gross.....	2,676,711	2,123,873	2,135,692
Value.....	\$14,272,620	\$10,980,124	\$10,027,315

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